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Indiana Municipality Approves Plans for Cutting-Edge Cellulosic Ethanol Production Plant

Merrillville, Ind. - Indiana Ethanol Power LLC (IEP) will begin contract negotiations with the Lake County Solid Waste Management District (LCSWMD) to build the first facility in the United States to convert commercial municipal solid waste to ethanol using the patented GeneSyst process. The LCSWMD, in searching for a sustainable use of solid waste, voted to authorize contract negotiations with IEP on March 20. The LCSWMD plans to review the final contract with IEP at its board meeting in May.

The 1,500 ton per day facility, utilizing the GeneSyst process invented by James Titmas, is expected to produce 20 million gallons of fuel-grade ethanol and other products each year.

"Thanks to the leadership of Gov. Daniels, Indiana has long been on the forefront of alternative energy," said Lt. Gov. Becky Skillman. "This technology provides yet another source of alternative energy for our state and secures Indiana as a leader in the industry."

The project has engaged Oppenheimer and the RBC Capital Markets Corporation to provide the financing. It has also received support and a \$100,000 grant from the State of Indiana's Office of Energy & Defense Development.

Skillman also stated, "Lake County has been making strides to become a leader in new economic development opportunities while dealing with a transitioning economy. We are happy to support the county's effort to bring this cutting-edge technology to our state."

John Clark, Director, Indiana Office of Energy & Defense Development, added, "This type of cutting-edge technology will be the first of its kind in the United States, making Lake County a leader in waste management technology."

Lake County Second District Commissioner Gerry J. Scheub said at a recent board meeting, "This project is especially exciting to us because it is a fully funded private investment, provides high-paying jobs for the local economy, and has a direct positive and profound impact on our environment."

IEP will work closely with local communities and environmental interest groups to select the facility site within Lake County. Approximately 120 to 130 employees will be hired to operate the facility. Construction could begin in 2008 and should be completed within two years.

"Pre-construction activities are moving forward for the first phase of the \$100 million project," Zig Resiak of IEP says. "We are firmly committed to utilizing the local workforce in building the state-of-the-art facility in Lake County."

Indiana Ethanol Power LLC was formed through the collaboration of world-class engineers and consultants including RW Armstrong; GeneSyst International, Inc.; River's Bend Engineering, Inc.; Ghafari Associates, LLC. Oppenheimer and the RBC Capital Markets Corporation have teamed to provide financial underwriting and consulting services for Indiana Ethanol Power.

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